



Town of Pembroke

POST OFFICE BOX 866

PEMBROKE, NORTH CAROLINA

28372

OFFICE OF THE FINANCE OFFICER

MUNICIPAL BUILDING
100 SOUTH UNION CHAPEL ROAD

October 13th, 2020

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601
Attention: Committee Chairs Representative Harry Warren and Senator Tom McInnis

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, NC 27603-5925

RE: Financing of Wastewater Treatment Plant Improvements by Town of Pembroke, North Carolina
State Funded Project # CS370465-03

To Whom It May Concern:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Town of Pembroke, North Carolina (the "Town") hereby notifies you of its intent to enter into a Clean Water Revolving Fund Loan (the "Loan") with the Division of Water Quality in the North Carolina Department of Environmental Quality subject to the approval of the Local Government Commission, in the expected amount of not to exceed \$1,542,000. Twenty-five percent of the loan (up to a maximum of \$385,000) will be forgiven, and the remainder will be repayable at a maximum interest rate of 0.38%. Debt Service for the project will be funded through the annual operational budget of the Town of Pembroke. We are experiencing growth in the Town with several commercial and residential developments currently under construction. These developments will bring revenue growth to the Town through taxes and the Enterprise Fund. As a result, and due to the recent refinancing of other loans within the same Fund, I feel confident the Town will be able to financially take on this additional debt. An additional \$30,000 in annual debt service will also be satisfied within the next four to five years within the same Fund. These new upgrades will also help keep our yearly maintenance down.

The proceeds of the Loan will be used to finance certain critical wastewater system improvements, including, but not limited to, the replacement of the Town's headworks containing mechanical screen and grit removal system; the installation of splitter box for oxidation ditches; replacement of oxidation ditch aeration equipment; and caustic storage building.

Thank you for the opportunity to share this information about this project for the Town of Pembroke. Should you have any questions or additional information about this project please do not hesitate to contact our Town Manager Tyler Thomas at 910-521-9758 or via email at tyler@pembrokenc.com or myself.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Marie Moore".

Marie Moore,
Town of Pembroke Finance Officer

cc: Local Government Commission
Tyler Thomas, Town Manager